

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL NO: 08-065
v.	*	SECTION: "N"
NOAH A. THOMAS, JR.	*	VIOLATION: 18 U.S.C. §1341
*	*	*

FACTUAL BASIS

Should this matter proceed to trial, the Government would produce the following competent testimony and evidence to prove beyond a reasonable doubt the defendant, **NOAH A THOMAS, JR.**'s, guilt to Count One of the Bill of Information:

Members of the Pilgrim Missionary Baptist Church ("PMBC") located at 2241 South Liberty, New Orleans, Louisiana, would testify that on August 29, 2005, their church building sustained heavy wind and water damage as a result of Hurricane Katrina. The PMBC church members would testify that the damage to the PMBC house of worship exceeded the amount of money the congregation received from its insurance policies. The PMBC congregation sought additional money to restore the church by applying for a grant from the Bush-Clinton Katrina Fund and a disaster business loan from the Small Business Administration.

A representative from the Bush-Clinton Katrina Fund ("BCKF") would testify that the

BCKF was established to provide assistance for rebuilding and recovery in Alabama, Louisiana, and Mississippi following Hurricane Katrina. In December 2005, Presidents George H. W. Bush and William J. Clinton allocated funds from the Bush-Clinton Katrina Fund for faith-based and religious organizations. The Bush-Clinton Katrina Fund sought applications from religious organizations to assist in rebuilding houses of worship and to cover costs for temporary relocation. A representative from BCKF would testify and documentation would be produced to show that, based on PMBC's grant application to the BCKF, the church was awarded a \$35,000 grant to assist in the rebuilding of the house of worship.

A representative from the United States Small Business Administration ("SBA") would be called to testify that the SBA was an agency and department of the federal government that provided financial assistance in the form of low-interest loans to individuals and organizations to rebuild properties destroyed by Hurricane Katrina. SBA loans were awarded to eligible recipients based on qualifying applications. Qualified borrowers initially received a \$10,000 disbursement, and were eligible to receive the remainder of the loan after certifying the first \$10,000 was used in accordance with the loan agreement. A representative from SBA would testify and documentation would be produced to show that PMBC submitted an application to the SBA for a disaster business loan in the amount of \$252,000 to assist in the rebuilding of the house of worship. SBA approved PMBC for a \$252,000 loan.

Prior to August 29, 2005 and continuing until on or about October 1, 2006, the defendant, **NOAH A. THOMAS, JR.**, was the pastor of PMBC. At trial, the government would offer the following testimony and evidence to show that from on or about August 29, 2005 until on or about October 1, 2006, in the Eastern District of Louisiana and elsewhere, the defendant, **NOAH**

A. THOMAS, JR., did knowingly and willfully devise and intend to devise a scheme and artifice to defraud the PMBC, and for obtaining and attempting to obtain money and property from PMBC by means of false or fraudulent pretenses and representations by utilizing his position as Pastor of PMBC to falsely and fraudulently obtain and use and attempt to use funds granted to PMBC by the Bush-Clinton Katrina Fund and loaned to PMBC from the SBA for his own personal benefit.

Members of the PMBC congregation would testify that the church had acquired a Post Office Box in Destrehan, Louisiana after Hurricane Katrina to ensure that it received its mail. Members of the PMBC congregation involved in the application process for the BCKF grant would testify and documentation would be produced to show that the church had intended all correspondence to be sent to the P.O. Box in Destrehan, Louisiana and anticipated that any grant money would be sent to the P.O. Box also. A representative with the BCKF would testify that the defendant, **NOAH A. THOMAS, JR.**, directed the BCKF to send the \$35,000 check payable to PMBC for repair of the church to 5813 Louis I Ave., Marrero, Louisiana 70072, his personal residence. Documentation would be produced to show that on or about September 5, 2006, a check for \$35,000 from Thomas Rickman at the Bush-Clinton Katrina Fund, 1301 K Street N.W., Ste. 800 East, Washington, D.C. 20005, payable to PMBC, was delivered by Federal Express, a commercial interstate carrier, to the defendant, **NOAH A. THOMAS, JR.**, at his residence, 5813 Louis I Ave., Marrero, Louisiana 70072.

Documentation would be produced to show that prior to the receipt of the \$35,000 BCKF check, but after the BCKF sent him a letter notifying him of the award, the defendant, **NOAH A. THOMAS, JR.**, used his position as the pastor of PMBC to open a bank account at his personal

bank, ASI Federal Credit Union, in the name of PMBC for which he was the only signatory so that the \$35,000 grant to PMBC from the Bush-Clinton Katrina Fund could be deposited and used for his own personal benefit without the PMBC congregation's knowledge. Members of the PMBC church would testify that they were unaware that the defendant, **NOAH A. THOMAS, JR.**, had opened an account in the name of the church at ASI Federal Credit Union. Members of the PMBC church would testify and documentation would be produced to show that the church had three established bank accounts at Chase Bank at the time the defendant, **NOAH A. THOMAS, JR.**, opened the account at ASI Federal Credit Union. Members of the PMBC church would testify and documentation would be produced to show that on or about September 6, 2006, the defendant, **NOAH A. THOMAS, JR.**, deposited the \$35,000 check from the BCKF into the PMBC account, account no. 5753850, at ASI Federal Credit Union for which he was the sole signatory and controller of said account without the knowledge or consent of the congregation.

Additionally, documentation would be provided to show that the defendant, **NOAH A. THOMAS, JR.**, submitted documents to the SBA and other financial institutions indicating that he had been granted authority to secure loans for the church and authenticate and sign all applications and closing documents representing the membership and Trustee Board of the Church. Members of the Trustee Board and Deacon Board of PMBC would testify that the defendant, **NOAH A. THOMAS, JR.**, was never given authority to enter into contracts on behalf of the church or otherwise make independent financial decisions for the church. Members of the Trustee Board and Deacon Board would testify that they did not adopt any resolutions giving the defendant, **NOAH A. THOMAS, JR.**, authority to make financial decisions for the

church and were unfamiliar with documents stating otherwise which the defendant, **NOAH A. THOMAS, JR.**, submitted to the SBA and other financial institutions.

Documentation would be produced to show that in addition to the defendant, **NOAH A. THOMAS, JR.**, having directed the BCKF to send the \$35,000 grant money to his personal residence for deposit into the ASI Federal Credit Union account he controlled, he also directed the SBA to electronically transfer \$10,000 as the initial disbursement of the SBA loan to the PMBC account at ASI Federal Credit Union. On or about September 8, 2006, the United States Treasury Department, 1650 65th Street, Ste A, Emeryville, California, 94608 wired the \$10,000 disbursement to Account No. 5753850 at ASI Federal Credit Union, 5508 Citrus Blvd., Harahan, Louisiana 70123, wherein the defendant, **NOAH A. THOMAS, JR.**, was the sole signatory and controlled said account. Members of the PMBC church would testify that they were unaware that the \$10,000 initial disbursement of the SBA loan was electronically transferred into said account nor did they give the defendant, **NOAH A. THOMAS, JR.**, authority to have the \$10,000 wired into any such account.

Documentation would be produced to show that following the deposit of \$45,000 of Hurricane Katrina relief money designated for the rebuilding of the PMBC church into the PMBC account the defendant, **NOAH A. THOMAS, JR.**, established at ASI Federal Credit Union, he transferred funds from the PMBC account to his personal account at ASI Federal Credit Union and made personal purchases with the money. For example, on September 21, 2006, the defendant, **NOAH A. THOMAS, JR.**, withdrew \$20,000 cash from the PMBC account, Account No. 5753850, at ASI Federal Credit Union and deposited \$18,000 into his personal bank account, Account No. 549930. The same day the defendant, **NOAH A.**

THOMAS, JR., bought a \$10,000 cashier's check from his personal bank account payable to Ray Brandt Dodge as the down payment on a new Dodge Durango purchased for his personal use. Documentation would be produced to show that prior to September 21, 2006, the defendant, **NOAH A. THOMAS, JR.**, had less than \$250.00 in his personal account. Members of the PMBC church would testify that the defendant, **NOAH A. THOMAS, JR.**, was not authorized to use the BCKF grant nor the SBA loan for his own personal benefit and that no one on the Trustee Board or Deacon Board authorized the defendant, **NOAH A. THOMAS, JR.**, to purchase a Dodge Durango with Hurricane relief funds.

Members of the church would testify that when they became aware that the BCKF grant and the SBA initial disbursement had been deposited into a bank account opened by the defendant, **NOAH A. THOMAS, JR.**, and solely controlled by him, they asked him about the money and he returned \$10,000 of the SBA initial disbursement in the form of a cashier's check. The defendant, **NOAH A. THOMAS, JR.**, denied having received the check from the BCKF. Documentation would be produced to show and members of the PMBC church would testify that the defendant, **NOAH A. THOMAS, JR.**, spent \$8,061.01 of the BCKF grant on items for the church. Documentation would be produced to show that \$5,389.69 remains in the PMBC account, account no. 5753850, which was frozen after September 30, 2006, when the PMBC church became aware of its existence.

_____Members of the PMBC congregation would testify that in addition to the defendant, **NOAH A. THOMAS, JR.**, having assumed control of and spent the BCKF grant and SBA initial disbursement without their knowledge, he obligated the church for a \$39,327.06 loan from ACI Financial, Inc., for church furniture and accessories that was to be repaid at \$1,034.57 a

month for 60 months. The loan amount was paid in two installments to a church furniture and accessories vendor for a list of items, including but not limited to computers, desks, carpeting, and church pews. Documentation would be produced to show that the vendor was sent a down payment of \$19,663.53 by ACI Financial, Inc., on April 28, 2006, to start procurement and delivery of the agreed to items, and on May 3, 2006, the vendor wrote a check payable to the defendant, **NOAH A. THOMAS, JR.**, for \$9,000. Documentation would be produced to show that the defendant, **NOAH A. THOMAS, JR.**, endorsed the check and deposited \$5,000 into his personal account and \$4,000 was received as cash. A representative of ACI Financial, Inc., would testify that the final payment to the vendor was made upon verification by the defendant, **NOAH A. THOMAS, JR.**, that all items contracted for delivery by the vendor had been delivered. Documentation would be produced to show that on September 7, 2006, the vendor was sent the final installment by ACI Financial, Inc., of \$19,663.53, and on September 9, 2006, the vendor wrote a check payable to the defendant, **NOAH A. THOMAS, JR.**, for \$3,800. Documentation would be produced to show that the defendant, **NOAH A. THOMAS, JR.**, endorsed the check.

Members of the PMBC church would testify that not all of the contracted for items were delivered at the time ACI Financial, Inc., made the final payment to the vendor. Members of the PMBC church would testify that they were unaware that the defendant, **NOAH A. THOMAS, JR.**, had obligated them for the loan until after the vendor began delivery and that the defendant, **NOAH A. THOMAS, JR.**, was not authorized to keep any of the money for church furniture and supplies for his personal benefit.

The above facts would have been proven beyond a reasonable doubt by credible testimony of fact witnesses, law enforcement officers of the Federal Bureau of Investigation, the Small Business Administration, the Jefferson Parish Sheriff's Office, and documentary evidence.

EMILY K. GREENFIELD (LA Bar No. 28587)
ASSISTANT UNITED STATES ATTORNEY

GEORGE CHANEY ()
COUNSEL FOR DEFENDANT

NOAH A THOMAS, JR
DEFENDANT

April 9, 2008